VZCZCXRO1035 OO RUEHCN RUEHGH DE RUEHIN #0625/01 1421239 ZNY CCCCC ZZH O 221239Z MAY 09 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC IMMEDIATE 1644 INFO RUEHBJ/AMEMBASSY BEIJING 9207 RUEHUL/AMEMBASSY SEOUL 0180 RUEHKO/AMEMBASSY TOKYO 0714 RUEHCN/AMCONSUL CHENGDU 3121 RUEHGZ/AMCONSUL GUANGZHOU 0269 RUEHGH/AMCONSUL SHANGHAI 2574 RUEHSH/AMCONSUL SHENYANG 7069 RUEHHK/AMCONSUL HONG KONG 0638 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHINGTON DC RHHJJAA/JICPAC HONOLULU HI RUEKJCS/SECDEF WASHINGTON DC RHHMUNA/USPACOM HONOLULU HI

### C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000625

#### SIPDIS

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TAGS: PGOV PREL CH TW
SUBJECT: DPP CHAIR TSAI ING-WEN ON DOMESTIC POLITICS AND CROSS-STRAIT ISSUES

Classified By: AIT Director Stephen M. Young, Reasons: 1.4 (b/d)

11. (C) Summary: DPP Chair Tsai Ing-wen told the Director she decided to visit former President Chen on May 14 because the "absolutely absurd" court decision to continue Chen's detention had made her "very mad." Tsai said the DPP's May 17-18 protest demonstration against Ma administration policies had successfully conveyed the party's message and boosted the confidence of DPP supporters. The DPP is critical of the Ma administration's planned reorganization of local government which could result in delaying the key Taipei County election from 2009 to 2010. While former Premier Su Tseng-chang would run if the election is held this December, his calculations may change if the election is delayed, she explained, referring to Su's interest in running for president in 2012. Tsai described the DPP's plan to call for a referendum on the Ma administration's proposal to conclude an Economic Cooperation Framework Agreement (ECFA) with China as a no risk move. End Summary.

Chen Shui-bian's Continued Detention "Absolutely Absurd"

12. (C) DPP Chair Tsai Ing-wen told the Director on May 21 that she had decided to visit former President Chen Shui-bian in the Taipei Detention Center last Thursday after reading in the newspapers about the court's decision to extend Chen's detention for another two months. Saying she had become "very mad" when reading the article, Tsai maintained that the court's decision was "absolutely absurd from a legal point of view." In the May 14 meeting, which also included former Premier Su Tseng-chang, Chen had expressed support for the upcoming May 17 DPP protest rally and had also discussed his own case. According to Tsai, who is a lawyer, the prosecutors so far have not come up with a strong legal case, either in terms of evidence or legal arguments, against the former president. Recently, the prosecutors filed new charges against Chen because they wanted to extend his detention, she suggested. Although party members have been divided in their opinions about Chen, they are now united in opposing Chen's continued detention.

DPP's May 17-18 Protest Rally and Sit-in

13. (C) The DPP's May 17 protest rally was a success, Tsai stressed. According to DPP polling conducted after the

rallies in Taipei and Kaohsiung, more than 500,000 people participated in the two events. DPP polling also indicates the public believes the DPP conducted the rally in a disciplined and responsible way. Also, according to polling, the rally effectively conveyed the party's message. However, one-third of the Green supporters polled (the radical wing of the party) thought the demonstration should have continued until May 20 (the first anniversary of Ma's inauguration) rather than ending the evening of May 18. The rally served to relieve anxiety and boost confidence among Green supporters, Tsai observed. As the meeting was concluding, she said without going into detail that there may be another protest rally next month.

# Kaohsiung Mayor Chen Chu Visits China

14. (C) Tsai noted she had said publicly that she respected and supported Kaohsiung Mayor Chen Chu's decision to visit China to promote the World Games that Kaohsiung will be hosting in July. Tsai said she was comfortable with Chen Chu's visit, which did not involve cross-Strait issues and which she saw as a single, separate case.

Administrative Reorganization and Local Elections

15. (C) According to DPP polls, public support for President Ma Ying-jeou is around 40 percent, Tsai said. Tsai criticized the Ma administration's plan to divide Taiwan into three municipalities and 15 counties and cities, saying it

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would create an unfair urban-rural divide since people would all pay the same taxes but the municipalities would get more resources. The current DPP proposal, she added, is to divide Taiwan into six administrative districts. On the likelihood that some key local elections, especially Taipei County, may be postponed from 2009 to 2010 due to administrative changes, Tsai characterized this as a KMT "dirty trick." While Su Tseng-chang will run if there is an election in Taipei County this December, his calculations may be different if the election there is postponed until next year. (Comment: Su may not want to run in Taipei County late next year because of his interest in running for president in 2012.)

# Unhappiness with Ma in the KMT

16. (C) Tsai speculated that Ma Ying-jeou's motivation in wanting to become KMT chairman was to gain control over the KMT-CCP forum. DPP International Affairs Director Bikhim Hsiao, who participated in the meeting with the Director, said she had heard about currents of dissatisfaction with Ma within the KMT. These included Legislative Yuan (LY) Speaker Wang Jin-pyng and legislators who were unhappy that Ma was not giving the LY a voice on cross-Strait policy. KMT legislators from areas with many farmers and workers were concerned about the effects of ECFA on the people in their districts. According to Hsiao, there is "boiling unhappiness" under the surface in some KMT circles.

# DPP Government Promoted Cross-Strait Opening

17. (C) During its eight years in power, Tsai said, her party did a great deal in opening cross-Strait economic relations. However, this was not generally recognized because of President Chen's rhetoric and KMT "bad-mouthing" of the DPP as protectionist and refusing to deal with China. KMT politicians who visited China also falsely accused President Chen of planning various plots, which the Chinese then raised in their discussions with the U.S.

ECFA Referendum

18. (C) Tsai said the DPP's plan to launch a signature drive to call a referendum on ECFA is a no risk move. The signature drive will be an educational process and a political movement, she said, adding that DPP polling indicates 64 percent of the public favor a referendum on ECFA. The ECFA referendum, which will not be combined with an election, will ask voters, "Do you agree to ECFA?" It will be fine with the DPP if the referendum fails. (Note: More than half of all eligible voters must participate to validate a referendum. Previous island-wide referenda have all failed because they did not meet this participation threshold. If this referendum fails, the DPP can argue that the government should not negotiate an ECFA.) Tsai said that the DPP does not oppose ECFA itself, only an ECFA that is non-transparent and under "one China." Taiwan would also need assurances from China that it will be able to talk to other countries about FTAs.

## Comment

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¶9. (C) Tsai was relaxed in the meeting, clearly pleased that the May 17-18 protests had gone so smoothly and had drawn a large turnout. In addition to launching the ECFA referendum signature drive, Tsai said she will be busy visiting local areas to hold campaign rallies for the DPP candidates in the December local elections. Tsai told she had just held the first campaign kickoff rally, in Keelung City. YOUNG